State of Hawaii DEPARTMENT OF LAND AND NATURAL RESOURCES Division of Forestry and Wildlife Honolulu, Hawaii 96813

September 22, 2010

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Land Board Members:

SUBJECT:

REQUEST FOR APPROVAL TO ENTER INTO A CONTRACT WITH GLAD'S TREE-TRIMMING AND LANDSCAPING INC. TO CUT AND CHIP 60 ACRES OF NON-NATIVE TREES IN KANAHA POND WILDLIFE SANCTUARY, MAUI, FOR THE DIVISION OF FORESTRY & WILDLIFE

This submittal requests Board approval to enter into a contractual relationship for the cutting and chipping on-site of 60 acres of non-native trees (ironwood, date palm, kiawe) at Kanaha Pond Wildlife Sanctuary, Maui.

BACKGROUND:

Kanaha Pond Wildlife Sanctuary, located on windward Maui, contains important habitat for rare and endangered native species of Hawaiian waterbirds, and critical habitat for the Blackburn's Sphinx Moth. The Division of Forestry and Wildlife proposes to cut and chip on-site 60 acres of non-native trees, for a period of two years, as part of a holistic ecosystem restoration project to enhance and restore the Sanctuary's wetland habitat for the Hawaiian stilt, Hawaiian coot, Hawaiian duck and the Blackburn's Sphinx moth. The two-year plan is to incrementally cut, chip and subsequently replant the site with appropriate native plant species. The non-native tree cover currently on site degrades the Sanctuary's habitat value for the endangered waterbird species and ecosystem functions. The Hawaii DOT Airports Division was consulted and provided concurrence for conducting the habitat improvement actions at Kanaha Pond as per DLNR/HDOT management agreement.

CONTRACT PROVISIONS:

The Invitation for Bids for this project was published on the State Procurement Office website on January 08, 2008 (IFB No. IFB-DOFAW-08-M3), (Attached) Bids were opened on January 26, 2010 and Glad's Tree-Trimming and Landscaping Inc. was identified as the lowest responsible and responsive bidder whose bid met the requirements and criteria set forth in the invitation, with a total estimated bid price of \$4,000 per acre. Funding for this contract comes from a previously secured Federal grant. Upon approval by the Board, the Division will submit the draft contract (Attachment 1) for review and approval as to form by the Attorney General, and process the document for signature by the Chairperson.

RECOMMENDATION:

1. That the Board authorize the Chairperson to enter into a Contract for Goods and Services in the amount of 240,000.00 with Glad's Tree-Trimming and Landscaping, subject to availability of federal funds and approval as to form by the Attorney General's Office.

Respectfully submitted,

PAUL J. CONRY, Administrator Division of Forestry and Wildlife

APPROVED FOR SUBMITTAL:

LAURA THIELEN, Chairperson

Roard of Land and Natural Resources



U.S. Dapartment of Transportation Federal Aviation Administration

Office of the Associate Administrator for Airports

800 independence Ave., SW Weshington, DC 20591

JUL 3 0 2010

The Honorable Laura II. Thielen
Chairperson, Board of Land and Natural Resources
Kalanimoku Building
1151 Punchbowi Street
Honolulu, HI 96813

Dear Ms. Chairperson:

Thank you for your February 8 letter about proposed habitat improvement efforts at the Kanaha Pond Wildlife Sanctuary. The proposed changes include the removal of approximately 85-90 acres of invasive, noxious, high-stature trees and replacement of these trees with native low-lying herbaceous plant species. Advisory Circular 150/5200-33B, "Hazardous Wildlife Attractants on or Near Airports" (8/28/2007), section 2-4 c(2), states, "The FAA recommends that wetland mitigation projects that may attract hazardous wildlife be sited outside of the separations identified in Sections 1-2 through 1-4 unless they provide unique functions that must remain onsite (see 2-4c(1))." Section 2-4c(1) clarifies, "The FAA may consider exceptions to locating mitigation activities outside the separations identified in Sections 1-2 through 1-4 if the affected wetlands provide unique ecological functions, such as critical habitat for threatened or endangered species or ground water recharge, which cannot be replicated when moved to a different location."

The Federal Aviation Administration concurs (approval enclosed) that the proposed habitat improvement should not negatively affect aviation safety near Kahului Airport (OGG). The FAA recommends that avian population observations at Kanaha Pond and OGG be implemented or maintained to monitor fluctuations in bird species diversity, abundance, and activity during and after habitat improvement procedures. In addition, the OGG's aircraft/wildlife strike records should be maintained and monitored to document strike trends and to provide useful information towards mitigation efforts when necessary.

If you or your staff need further help, please contact our FAA Wildlife Biologist, John Weller, at (202) 267-3778.

Sincerely,

Catherine M. Lang

Acting Associate Administrator

Bent P. L.

for Airports

Enclosure

cc: Brennon T. Morioka, Director of Transportation, Hawaii DOT Norma I. Bustos, Department of Land and Natural Resources 808-587-0160

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STATE OF HAWAII

DEPARTMENT OF LAND AND NATURAL RESCURÖES

DIVISION OF PORESTRY AND WILDLIFE
1151 PUNCHEGWL STREET, ROOM 325
HONDLULU, HAWAI 98813
TEL [100] 587-6160 PAR (1001) 607-6160

09:04:44 a.m.

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KAHOCLAND BELAND RESOURCE COMMERCIAN

February 8, 2010

Catherine M. Lang
Acting Associate Administrator for Airports
Office of the Associate Administrator for Airports (ARP)
800 Independence Ave., S.W.
Washington, D.C. 20591

Breanon T. Morioka, Ph.D., P.B. Director of Transportation Hawaii Department of Transportation 869 Punchbowl Street Honolulu, Hawaii 96813-5097

Dear Ms. Lang and Mr. Morioka:

Subject: Concurrence request on proposed habitat improvement efforts at the Kanaha Pond Wildlife Sanctuary

Pursuant to the Memorandum of Understanding for the Preservation of Kanaha Pond, Kahului, Mani, as a Wildlife Sanctuary for Native Birds, between the State Department of Transportation (DOT) and the State Department of Land and Natural Resources (DLNR), signed on October 1, 1996, DLNR requests concurrence for proposed habitat improvements at the Kanaha Pond Wildlife Sanctuary (KPWS). Pursuant to the MOU, DLNR may conduct habitat improvement work to assure and maintain suitable habitat for rare and endangered species of wildlife at KPWS. Such improvements to the KPWS are to be conducted in a manner so as to not jeopardize the air safety of aircraft flights at the neighboring Kahului Airport.

The proposed habitat improvements are pursuant to the Draft Kanaha Pond Wildlife Sanctuary Management Plan that was developed in collaboration with DOT as member of the Kanaha Pond Advisory Committee. Specifically, the work proposed here involves the removal of approximately 85-90 acres of invasive noxious high stature trees, primarily Ironwood (Casuarina equisetifolia), Mesquite or Kiawe (Prosopis pallid), and Christmas berry (Schinus terebinthifolius). The removed trees would be replaced by outplanting of herbaceous low-lying

native species such as 'Ilima (Sida fallax), Pohuehue (Ipomoea pes-caprae), 'Akulikuli (Sesuvium portulacastrum), and 'Ohelo-kai (Lycium sandwicense)

The permanent removal of tall trees (Kiawe, Ironwood, and Christmas berry) at KPWS will reduce the site's attractiveness for Cattle egrets, and remove the availability of sites for Cattle egret nesting and roosting. Cattle egrets are a known air strike hazard in the airport environs and USDA Wildlife Services has permits for their regular control at KPWS. This work will therefore assist in the reduction of air-strike hazards from Cattle egrets.

This work does not involve the addition of any submerged areas that would enhance breeding sites for the resident bird species, and it is not expected to result in an increase in the numbers of migratory birds at the site. Increases in numbers of migratory transient birds have been identified as a posing general potential concern for air-traffic.

We note that item 4 of the MOU identifies that, "The habitat improvements at Kanaha Pond will not cause migratory waterfowl (ducks) numbers to increase because it is recognized that the great reduction in their numbers are the result of changes in their North American breeding grounds". Additionally, the attached U.S. Department of Transportation Federal Aviation Administration Advisory Circular No 150/5200-33, entitled Hazardous Wildlife Attractants on or Near Airports, dated 5/1/97 page 4, section 2-4 b (2) states "Exceptions to locating mitigating activities outside the separations identified in the siting criteria in 1-3 may be considered if the affected wetlands provide unique ecological functions, such as critical habitat for threatened and endangered species..."

In addition to providing essential habitat for a large population of Hawaiian waterbirds that comprise the bulk of the numbers prescribed for individual species recovery, KPWS also provides unique ecological functions as the second largest coastal wetlands on the Island of Maul (representing 24% of the remaining wetlands on that island), and as one of the largest coastal wetlands within the State. Ranked as one of Maui's two "core" habitat wetland areas by the U.S. Fish & Wildlife Service Draft Recovery Plan for Hawaiian Waterbirds (2005), KPWS provides essential habitat needed for the recovery of several of Hawaii's endangered waterbird species including the endangered Hawaiian Stilt, endangered Hawaiian Coot, endangered Hawaiian Moorben and the endangered Hawaiian duck. Up to 40% of the endangered Hawaiian Stilt observations and up to 60% of the endangered Hawaiian Coot observations in the Statewide Bi-Annual Waterbird Surveys have been recorded at KPWS.

KPWS's wetlands also maintain water quality and provide food chain support for many estuarine-dependent species that feed, take refuge, or reproduce there. Without a fully functioning wetland, these fish and shellfish cannot survive. One of the greatest benefits of Hawaii's coastal wetlands is that they protect and maintain water quality in other near-shore habitats. This is particularly true for coral reefs occurring seaward of KPWS. KPWS's wetlands help to protect these reef areas from sediment, turbidity, and pulses of fresh water during periods of heavy rain. The protected coral reefs at Kanaha Beach are very important for commercial and recreational fisheries as well as Hawaii's ocean recreation industry. The removal of non-native trees and their replacement with native vegetation cover will reduce heavy silt laden run-off from

reaching the reef system following large rainfall events, as the original native vegetation cover allows for better water capture, filtration, and percolation into the substrate.

Finally, the ecosystem services affected by this work will include recreational fishing, which is an integral part of Hawaii's economy. In 1991, over 200 thousand anglers spent more than \$90 million fishing in Hawaii's waters, supporting almost 2,500 jobs and more than \$48 million in earnings. As one of the last remaining functioning estuaries on Maul, KPWS provides important juvenile nursery habitat for many species of fish that inhabit the adjacent marine environment as adults. These estuarine-dependent species are important to the economy of Hawaii. Species such as Awa or Milkfish (Chanos chanos). Ama ama or Mullet (Mugil cephalus). Aholehole or Flagiail (Kuhlia sandvicensis), and Papio or young Ulua or Jacks (Caranx spp.) all rely on the estuary waters of KPWS and are valuable recreational fish resources.

Your concurrence for the above habitat improvements at KPWS is requested. If there are any questions or concerns please feel free to contact myself or Paul Conry at (808) 587-0166.

Sincerely.

Laura H. Thielen

RECOMMEND:

Attachments: U.S. Department of Transportation Federal Aviation Administration Advisory Circular No 150/5200-33 & MOU for the Preservation of Kanaha Pand, Kahului, Maui, as a Wildlife Sanctuary for Native Birds

APPROVAL

Bent & Le DISAPPROVAL

Catherine M. Lang

Date 100

Acting Associate Administrator for Airports

APPROVED DISAPPROVED

Brennon T. Morioka, Ph.D., P.E.

Director of Transportation



LEGAL AD DATE: January 20, 2010

INVITATION FOR BIDS No. IFB-DOFAW-09-M4

SEALED OFFERS TO

CUT AND CHIP ON-SITE 60 ACRES OF NON-NATIVE TREES IN KANAHA POND WILDLIFE SANCTUARY, MAUI FOR DEPARTMENT OF LAND AND NATURAL RESOURCES DIVISION OF FORESTRY AND WILDLIFE

WILL BE RECEIVED UP TO AND OPENED AT 2:00 P.M. (HST) ON February 22, 2010

IN THE STATE OFFICE BUILDING, 54 SOUTH HIGH STREET, ROOM101, WAILUKU, HAWAII 96793. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO DR. FERN P. DUVALL II, TELEPHONE (808) 984-8100, FACSIMILE (808) 873-3505 OR E-MAIL AT Fern.P.Duvall@hawaii.gov.

Laura H. Thielen

Procurement Officer, Department of Land and Natural Resources

The following bid is hereby submitted to Cut and Chip on-site 60 acres of non-native trees in the Kanaha Pond Wildlife Sanctuary as specified herein, for the Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife (DOFAW).

<u>Description</u>	Estimated <u>Quantity</u>	Unit Bid Price/ <u>acre</u>	Estimated Total Bid Price
(1)Cut and Chip 60 acres at Kanaha Pond Wildlife Sanctuary	(²)60 acres	\$	\$
(3)Cutting and Chipping Cost per acre:	\$/acre		
 (¹) All-inclusive cost to Cut and (²) Estimated quantity based on (³) This unit price shall be the all 	GIS (Geographic I	nformation System) mai	S for details. oping.
OFFEROR SHALL FURNISH T Company Name:		NFORMATION:	
Company Address:			
E-Mail Address:			
Contact Person:			
Contractor's License No. for Fen	cing Construction/I	nstallation:	
Years of Experience (tree-cutting	and chipping):		
Tree-cutting and Chipping Project of one (1) cutting and chipping proname of the project contact personal co	olects of similar siz	e and complexity in the	State of Hawaii The
Project Name/Location/De	escription:		
Contact Person:		Contact No.:	
2. Project Name/Location/De	scription:		
Contact Person:		Contact No.:	

WAGE CERTIFICATE

FOR SERVICE CONTRACTS (See Special Provisions)

Subject:	IFB/RFP No.:
	Title of IFB/RFP: <u>CUT AND CHIP 60 ACRES OF NON-NATIVE TREES ON-SITE IN KANAHA POND WILDLIFE SANCTUARY, MAUI.</u>
	Department of Land and Natural Resources, Division of Forestry and Wildlife
awaiaca ilie	uant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if contract in excess of \$25,000, the services to be performed will be performed owing conditions:
1.	All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with; and
2.	The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work, with the exception of professional, managerial, supervisory, and clerical personnel who are not covered by Section 103-55, HRS.
within a reasonate settlement of	erstand that failure to comply with the above conditions during the period of the result in cancellation of the contract, unless such noncompliance is corrected onable period as determined by the procurement officer. Payment in the final the contract or the release of bonds or both, if applicable, shall not be made ocurement officer has determined that the noncompliance has been corrected; and
l furthe	er understand that all payments required by Federal and State laws to be made by the benefit of their employees are to be paid in addition to the base wage required
	Offeror
	Signature
	Title
	* Data

WAGE CERTIFICATE

SPECIFICATIONS CUT AND CHIP 60 ACRES OF NON-NATIVE TREES ON-SITE IN KANAHA POND WILDLIFE SANCTUARY, MAUI

I. Summary of Work

Kanaha Pond Wildlife Sanctuary, located on windward Maui, contains important habitat for rare and endangered native species of Hawaiian Waterbirds, and critical habitat for the Blackburn's Sphinx Moth. The Division of Forestry and Wildlife proposes to cut and chip on-site 60 acres of non-native trees as part of a larger ecosystem restoration project to enhance the Sanctuary's wetland habitat for the Hawaiian stilt, Hawaiian coot, Hawaiian duck and the Blackburn's Sphinx moth. The four-year plan is to cut, chip and subsequently replant, with appropriate native plants, the 80 acres of non-native tree cover inside of the Kanaha Pond Wildlife Sanctuary that currently degrades the Sanctuary's habitat value for these endangered species.

Bids are solicited for the Cutting and on-site Chipping of 60 acres of non-native trees at Kanaha pond Wildlife Sanctuary on the island of Maui (see attached map). A Contractor is sought to provide labor and equipment for Cutting and Chipping of non-native trees as specified. The area to be cut and chipped will be delineated by the State of Hawaii Department of Land and Natural Resources (DLNR). Much of the area can be accessed from the Sanctuary's internal and existing roads, but certain work will be on soft and unstable sandy and partially saturated wet soils. The contractor will be responsible for transport of all necessary cutting and chipping equipment and transfer of any additional equipment or materials needed to cut and chip the trees as specified.

Due to the fiscal situation it is uncertain if any awards will be issued in upcoming year, however, the Department of Land and Natural Resources feels it is worthwhile to proceed with a request for applications as that situation is evolving. Final awards are subject to the availability of funds and are also subject to budget restrictions and procedures implemented under the Fiscal Year 2010-2011 Executive Biennium Budget Instructions.

II. Description of the Terrain and Vegetation

The project area is within the Kanaha Pond Wildlife Sanctuary, on the north coast of Maui situated between the Kahului industrial areas on the west and south, the Kahului Airport on the east, and the Kahului Sewage Treatment plant and the Pacific Ocean to the north. The area is hot, dry and windy, with annual rainfall less than 16 inches per year. Expected daily temperatures are between 70 and 90 degrees. The terrain consists of 237 acres of marshes, wetlands, and low-lying land with small sandy knolls and dunes at elevations that range from 3 to 8 feet above mean sea level. There are twenty five ponds that are permanent or ephemeral and situated on a Jaucas Sand (JcC) type substrate. The water table is near the soil surface near the ocean, and the more inland areas support grasslands and wetland wildlife habitat with stands of non-native invasive mesquite, ironwood, Christmas-berry, and date palms in the highest driest areas.

III. Access to Installation Site

2. Cutting

All trees shall be cut as close to ground level as possible and the entire tree and branches shall be completely chipped. Tree trunks too large for chipping or grinding are to be removed from the site.

3. Chipping

All cut materials shall be chipped. The Contractor may use any tree-grinding/tree-chipping equipment for the chipping of the trees and branches. Chips shall be more or less evenly dispersed on-site within the flagged boundaries, and not left in large piles. Absolutely no materials may be left in or placed into any water surface of ponds or shoreline wetland areas.

VII. Pre-bid On-Site Inspection

Although not mandatory, bidders are strongly advised to inspect the project area prior to submitting a bid. Maps can be obtained from the Department of Land and Natural Resource office in Kahului or Wailuku, Maui and a guided site visit may be arranged by contacting Dr. Fern P. Duvall II, Sanctuary Manager, at (808) 873-3502 or 873-3983. Alternately, similar habitat, to that of the project site, inside the Sanctuary, can be viewed from Amala Place, or along Keolani Place heading east towards the airport. Failure to visit the general work area will in no way relieve the successful bidder from completion of the work in accordance with the specifications, terms and conditions herein to the satisfaction of the Contracting Officer's Representative.

VIII. Contractor Activities

1. Camps

Construction of camps will not be permitted.

2. Native and Alien Plants and Animals

Plants and/or animals may not be removed from the site. The Contractor will implement precautions to prevent the introduction of alien plants and insects. Boots, equipment and materials will be inspected by the Contractor for seeds, eggs, larvae, etc., prior to delivery and entry to the project site, and cleaned as necessary. The Contractor will remove all food and other refuse daily, and tools, gear, and other equipment upon completion of work.

IX. Pre-start-up Conference

Contractor shall meet with staff from DOFAW soon after the award, if any. Topics to be included at the meeting will be:

- Designation of responsible officials
- Correspondence procedures
- Labor standard provisions
- Changes in specs
- Payments to the Contractor
- Safety program
- Communication
- Chipping techniques
- Fire prevention
- · Alien plants and animals precautions
- Disturbance prevention for resident endangered Waterbirds

TERMS AND ACRONYMS USED HEREIN

Procurement Officer = The contracting officer for the State of Hawaii Department of Land

and Natural Resources.

State = All agencies, including schools, participating in this agreement.

DLNR = Department of Land and Natural Resources of the State of Hawaii,

located at 1151 Punchbowl Street, Honolulu, Hawaii 96813

DOFAW = Division of Forestry and Wildlife of the Department of Land and

Natural Resources of the State of Hawaii located at 54 South High

Street, Room 101, Wailuku, Hawaii 96793.

Bidder or Offeror = Any individual, partnership, firm, corporation, joint venture, or

other entity submitting directly or through a duly authorized representative or agent, a bid for the good, service, or

construction contemplated.

HRS = Hawaii Revised Statutes
HAR = Hawaii Administrative Rules

IFB = Invitation for Bids
RFP = Request for Proposals
GET = General Excise Tax

GIS = Geographic Information System

SCOPE

The Cutting and On-site Chipping of 60 acres of non-native trees at Kanaha Pond Wildlife Sanctuary on the island of Maui for the Division of Forestry and Wildlife, Department of Land and Natural Resources, shall be in accordance with these Special Provisions, the attached Specifications, and the General Terms and Conditions developed by the Attorney General's office (Form AG2-GC(1/01)), included by reference and available from DOFAW or on-line at http://www2.hawaii.gov/bidfiles/generalconditions1.pdf.

RESPONSIBILITY OF OFFERORS

Offeror is advised that if awarded a contract under this solicitation, Offeror shall, upon award of the contract, furnish proof of compliance with the requirements of §103D-310(c), HRS:

- 1. Chapter 237, tax clearance;
- 2. Chapter 383, unemployment insurance;
- 3. Chapter 386, workers' compensation;
- 4. Chapter 392, temporary disability insurance:
- 5. Chapter 393, prepaid health care; and
- 6. One of the following:
 - a. Be registered and incorporated or organized under the laws of the State (hereinafter referred to as a "Hawaii business"); or
 - b. Be registered to do business in the State. (hereinafter referred to as a "compliant non-Hawaii business").

Refer to the Award of Contract provision herein for instructions on furnishing the documents that are acceptable to the State as proof of compliance with the above-mentioned requirements.

CONTRACT ADMINISTRATOR

Inquiries regarding this solicitation are due on or before 4:00p.m., Thursday, Feb. 22, 2010. Inquiries shall be made in writing, either via U.S. Postal Service, facsimile (808) 873-3505, or e-mail to Fern.P.Duvall@hawaii.gov.

Responses to written inquires shall be made by way of Addendum. Addendum shall be issued at least two (2) working days prior to bid opening date.

PRE-BID ON-SITE INSPECTION

Although not mandatory, bidders are strongly advised to inspect the project area prior to submitting a bid. Maps can be obtained from the Department of Land and Natural Resource office in Kahului or Wailuku, and a site visit may be arranged by contacting Dr. Fern P. Duvall II, Sanctuary Manager, at (808) 984-8100 or 873-3983. Alternately, similar habitat, to that of the project site inside the Sanctuary can be viewed from Amala Place, or along Keolani Place heading east towards the airport. Failure to visit the work area/installation site will in no way relieve the successful bidder from completion of the work in accordance with conditions and specifications to the satisfaction of the Contracting Officer's Representative.

SUBMISSION OF OFFER

Offers shall be received at the DLNR, Division of Forestry and Wildlife Maui District office, 54 South High Street, Room 101, Wailuku, Hawaii 96793, no later than the date and time stated on the cover page of the IFB. Timely receipt of offers shall be evidenced by the date and time registered by the DOFAW time stamp clock. Offers received after the deadline shall be returned unopened.

All offers must be submitted in sealed envelopes marked on the outside with IFB Number IFB-DOFAW-O9-M4. An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected.

BID PREPARATION

Offer Form, Page OF-1. Offeror is requested to submit its offer using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on Offer Form, page OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

<u>Hawaii business</u>. A business entity referred to as a "Hawaii business", is registered and incorporated or organized under the laws of the State of Hawaii.

<u>Bid Quotation</u>. The Unit Bid Price shall be per acre and shall include but not be limited to the following:

- All costs incurred to prepare and respond to this solicitation;
- The transportation of work crew, equipment, materials, and tools to the installation site;
- The tools and equipment necessary to cut and chip trees on-site as specified;
- The labor to cut and chip trees as specified herein;
- The labor and whatever related costs to remove materials, supplies, equipment and tools from the installation sites during and at the completion of the contract;
- All costs necessary to attend project meetings;
- All communications costs, including equipment;
- · All applicable taxes, including the GET; and
- Any other related costs to perform this contract as specified.

Experience. Offeror shall provide a minimum of one (1) tree cutting and chipping project in Hawaii of similar size and complexity. The name of each project contact person and his/her contact number shall also be provided. Failure to provide this information shall be grounds for bid rejection.

<u>Insurance</u>. Offeror shall provide proof of insurance including: the insurance agent (company name), contact person and phone number, the insurance underwriter, and the policy number. Failure to provide such information shall be grounds for bid rejection.

<u>Subcontractors</u>. Offeror shall provide the name and contact information for any subcontractor to be used on the project. Failure to provide this information shall be grounds for bid rejection.

<u>Chapter 104, HRS, Wages and Hours of Employees on Public Works</u>. Offeror is advised that Chapter 104, HRS shall apply to this solicitation. Offeror may access this Chapter on the State's website: www.ehawaiigov.org/government/html/index.html.

<u>Wage Certificate</u>. The Offeror shall complete and submit a Wage Certificate by which the Offeror certifies that services required will be performed pursuant to §103-55, HRS.

<u>Tax Liability</u>. Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and if applicable, taxable under Chapter 238, HRS. Vendors are advised that they are liable for the Hawaii GET at the current 4% rate and the applicable use tax at the current 1/2% rate. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

<u>Taxpayer Preference</u>. For evaluation purposes, pursuant to §103D-1008, HRS, the Offeror's tax-exempt price offer submitted in response to an IFB shall be increased by the applicable retail rate of general excise tax and the applicable use tax. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

Offer Guaranty. An offer guaranty is NOT required for this solicitation.

CANCELLATION OF IFB

The State reserves the right to cancel this IFB and to reject any and all bids in whole or in part when it is determined to be in the best interest of the State.

** Tax clearance may take several weeks to obtain. Offerors are encouraged to apply for tax clearance as soon as possible to prevent delay in executing a contract and issuing a Notice to Proceed. **

Hawaii Compliance Express. Refer to Section 26 of the SPO General Provisions. Vendors may choose to use the Hawaii Compliance Express (HCE), which allows businesses to register online through a simple wizard interface at http://vendors.ehawaii.gov to acquire a "Certificate of Vendor Compliance." The HCE provides current compliance status as of the issuance date. The "Certificate of Vendor Compliance" indicating that vendor's status is compliant with the requirements of §103D-310(c), HRS, shall be accepted for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay an annual fee of \$12.00 to the Hawaii Information Consortium, LLC (HIC). Vendors choosing not to participate in the HCE program will be required to provide the paper certificates as instructed in the referenced SPO General Provisions, Section 26.

HRS Chapters 383 (Unemployment Insurance), 386 (Workers' Compensation), 392 (Temporary Disability Insurance), and 393 (Prepaid Health Care) requirements for award. Instructions are as follows:

Pursuant to §103D-310(c), HRS, the lowest responsive offeror shall be required to submit a certificate of compliance issued by the Hawaii State Department of Labor and Industrial Relations (DLIR). The certificate is valid for six (6) months from the date of issue and must be valid on the date it is received by DOFAW. A photocopy of the certificate is acceptable to DOFAW.

The certificate of compliance shall be obtained on the State of Hawaii, DLIR *APPLICATION FOR CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR*, Form LIR#27 which is available at www.dlir.state.hi.us/forms/ApplicationforCertificateofCompliance.pdf or at the neighbor island DLIR District Offices. The DLIR will return the form to the Offeror who in turn shall submit it to DOFAW.

The <u>application</u> for the certificate is the responsibility of the offeror, and must be submitted directly to the DLIR and not to DOFAW. However, the certificate shall be submitted to DLNR-DOFAW.

Compliance with Section 103D-310(c)(1) and (2), HRS. Pursuant to section 3-122-112, HAR, the lowest responsive offeror shall be required to submit a CERTIFICATE OF GOOD STANDING (Certificate) issued by the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division (BREG). The Certificate is valid for six months from date of issue and must be valid on the date it is received by DOFAW. A photocopy of the certificate is acceptable to DOFAW.

To obtain the Certificate, the Offeror must first be registered with the BREG. <u>A sole proprietorship</u>, however, is not required to register with the BREG, and therefore not required to submit the certificate.

On-line business registration and the Certificate are available at www.BusinessRegistrations.com. To register or to obtain the Certificate by phone, call (808) 586-2727 (M-F 7:45 to 4:30 HST). Offerors are advised that there are costs associated with registering and obtaining the Certificate.

understood that a subcontractor's insurance policy or policies are in addition to the Contractor's own policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its subcontractor(s) where appropriate.

Coverage
Commercial General Liability
(Occurrence form)

Limits \$2,000,000 combined single limit per occurrence for bodily injury and property damage

Basic Motor Vehicle Insurance and Liability Policies

BI: \$1,000,000 per person \$1,000,000 per accident PD: \$1,000,000 per accident

Each insurance policy required by this contract, including a subcontractor's policy, shall contain the following clauses:

- 1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Land and Natural Resources, Division of Forestry and Wildlife,1151 Punchbowl Street, Room 325, Honolulu, Hawaii 96813."
- "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
- 3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the contract, including supplemental agreements.

Upon Contractor's execution of the contract, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the State during the entire term of this contract, including those of its subcontractor(s), where appropriate. Upon request by the State, the Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required insurance shall not be construed to limit the Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, the Contractor shall be obliged for the full

- d. Hourly Wage Increase to State employees (D) = (D) for example = \$.50/hr
- e. Adjusted Bid Price/Hr/Officer (E) = (A) + (D), or \$15.00 + \$.50 = \$15.50/hr
- 3. In addition to the actual dollar amount of wage increase, Contractor may apply for the percentage (%) fringe benefits required by Statute. However, the resulting fringe benefit percentage shall only be applicable to the actual dollar amount of increase and the State shall only consider those benefits that are required by contract and are directly affected by the wage increase.

If request includes adjustment for wage related fringe benefits, Contractor must provide support documentation and an itemized percentage breakdown of the fringe benefits being paid.

The State has determined that the applicable fringe benefits for wage related price adjustments shall be limited to: 1) Federal Old Age Benefits, 2) Worker Compensation, 3) Temporary Disability Insurance, and 4) Unemployment Insurance. Based on past experience, it has been determined that the percentage increase be set at 16%. If Contractor is able to document that its percent for fringe is higher than 16%, the State will review and consider Contractor's claim.

The following method of calculation shall be applied for the fringe benefits:

- a. 16% for Allowable Fringe Benefits
- b. \$ Adjusted for Allowable Fringe Benefits (F) = (D) x (.16) = F, or $$.50 \times .16 = $.08$
- c. Adjusted Bid Price/Hr/Officer + Fringe Benefits = (E) + (F), or \$15.50 = \$.08 = \$15.58
- 4. After the contract modification for the increase is issued by the State, but before payment of an increase is made on the portion of the current contract period already performed, the Contractor shall show proof that its employees were given the retroactive wage increase.

24.0 SUBCONTRACTORS

The Contractor shall not delegate any duties listed in this IFB to any subcontractor unless the Contract Administrator has given written approval. The State reserves the right to approve all subcontractors and shall require the primary contractor to replace any subcontractors found to be unacceptable. The primary contractor will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract, and shall be responsible for all services whether or not the primary contractor performs them.

25.0 RE-EXECUTION OF WORK

- (6) Contracts to operate refreshments concessions in public parks, or to provide food services to educational institutions.
- (7) Contracts with non-profit institutions.

INVOICING

Contractor shall submit original and three copies of the invoice to the following address:

Department of Land and Natural Resources Division of Forestry and Wildlife Maui Branch 54 South High Street, Room 101 Wailuku, Hawaii 96793 Attention: Dr. Fern P. Duvall II

Invoices shall reference the contract number assigned to this contract and shall be signed and dated by the State's DOFAW representative, verifying incremental acres of trees cut and chipped completed.

A tax clearance certificate, not over two months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract. In addition to the tax clearance certificate, an original "Certification of Compliance for Final Payment" (SPO Form-22), attached, will be required for final payment. A copy of the Form is also available at www.spo.hawaii.gov. Select "Forms for Vendors/Contractors" from the Chapter 103D, HRS, pop-up menu.

PAYMENT SCHEDULE

Contractor may receive compensation per completion of each 5 acre segment, with billing not to exceed monthly. Payments shall be made for completion of each 5 acres subject to inspection and acceptance by the State's DOFAW representative, not to exceed monthly billing, up to 90% of the total estimated contract. The final payment of 10% shall be made after final cutting and chipping work is completed and accepted by the State's DOFAW representative. The total payment shall not exceed the cost of the total acreage at the unit bid price per acre.

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or performance of the services to make payment. For this reason, the State will reject any bid submitted with a condition requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS.

The State will not recognize any requirements established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

LIQUIDATED DAMAGES

Liquidated damages is fixed at the sum of TWENTY-FIVE DOLLARS (\$25.00) per scheduled calendar day, for each and every calendar day the Contractor delays in the completion of any item of this contract after the required date of said completion.

DOCUMENTS SUBMITTAL FOR FINAL PAYMENT

material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Office of the Attorney General in accordance with chapter 92F, HRS. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under chapter 3-126, HAR. If the request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with §92F-15.5, HRS.

<u>Nondiscrimination</u>. No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

Records Retention. The Contractor and any subcontractor(s) shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

Year 2000 Compliance. All appropriate hardware, software, and systems utilized for the work specified herein shall be year 2000 compliant.

